

confidentiality issues, including a request for a protective order and the necessary signatures (Exhibits A or B to standard protective order) prior to filing the request for approval itself with the Commission.

Approval Procedure

1. The request will be assigned to the Commission Staff for review and presentation of a recommendation at the Commission public meeting. The Commission does not interpret the approval process as an adjudicative proceeding under the Washington Administrative Procedure Act. Staff who participated in the mediation process for the agreement will not be assigned to review the agreement.

2. Any person wishing to comment on the request for approval may do so by filing written comments with the Commission no later than 10 days after date of request for approval. Comments shall be served on all parties to the agreement under review. Parties to the agreement file written responses to comments within 7 days of service.

3. The request for approval will be considered at a public meeting of the Commission. Any person may appear at the public meeting to comment on the request for approval. The Commission may in its discretion set the matter for consideration at a special public meeting.

4. The Commission will enter an order, containing findings and conclusions, approving or rejecting the interconnection agreement within 30 days of request for approval in the case of arbitrated agreements, or within 90 days in the case of negotiated agreements. Agreements containing both arbitrated and negotiated provisions will be treated as arbitrated agreements subject to the 30 day approval deadline specified in the Act.

Fees and Costs

1. Each party shall be responsible for bearing its own fees and costs. Each party shall pay any fees imposed by Commission rule or statute.

DATED at Olympia, Washington and effective this 3rd day of December 1996.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

LARRY BERG
Arbitrator

Wajsgas

Ex 1

7.2

NEW YORK STATE
PUBLIC SERVICE COMMISSION

2/1/97

In the Matter of:

Petition of New York Telephone Company
for Approval of its Statement of Generally
Available Terms and Conditions (§ 252)
and Draft Filing of Petition for interLATA
Entry (§ 271)

Case No. 97-C-0271

AFFIDAVIT OF MICHAEL L. WAJSGRAS
ON BEHALF OF LCI INTERNATIONAL TELECOM CORPORATION

I, Michael L. Wajsgas, being first duly sworn upon oath, do hereby depose
and state:

1. I have been employed by LCI International Telecom Corporation
("LCI") since November, 1994. My job title is Senior Manager, Local Service.

2. I hold an undergraduate degree in accounting and a masters degree in
business administration, both of which I received from the University of Maryland.
Before joining LCI, I was employed for three years by MCI (1991-1994) in its
Consumer Markets Division.

3. As Senior Manager, Local Service, I am responsible for the day-to-day
operations of LCI's resale local exchange service business, including the
supervision of the sales and operations staff in every state in which LCI is currently
doing retail business, including New York.

Background of LCI And Its Entry Into Local Exchange Service

4. LCI started in business in 1983 as a regional interexchange carrier offering telephone service in Ohio and Michigan. LCI has grown to become the sixth largest long distance carrier, and now offers long distance services nationwide.

5. Following passage of the Telecommunications Act, I participated in developing LCI's business plan for entry into local exchange service. The first phase of that business plan calls for LCI to enter as a reseller in selected geographic markets in which LCI has an established long distance customer base, which LCI believes is the most efficient and economical way to develop market penetration and experience in the local exchange service market.

6. LCI has begun implementation of the first phase of its business plan, and is now a reseller of local exchange service in several states, including New York.

LCI's Resale Business in New York

7. LCI commenced its resale operations in New York in November of 1996. Currently LCI's resale business has a geographic focus in LATA 132, exchanges 212 and 718, and a market focus on small businesses with two to 20 lines. LCI has plans to begin reselling residential service during 1997.

8. Currently, LCI has over 400 resale business customers in New York.

Purpose Of Affidavit

9. The FCC recognized in an August 8, 1996 Order that nondiscriminatory access to an ILEC's operations support systems ("OSS") is essential to the development of competition in the local exchange service market. The purpose of my affidavit is to describe for the Commission the problems that LCI has experienced with the OSS of Nynex in connection with LCI's efforts to sell and

provision its local service in New York. These problems demonstrate that LCI's access to OSS is not at parity with the access afforded Nynex' own retail operations. Consequently, LCI cannot provide the same quality and level of service to its customers and potential customers as can Nynex, and LCI's ability to compete in the local exchange market in New York is, therefore, impaired.

10. The major recurring problems that LCI has experienced with Nynex' OSS can be grouped into the following four categories. These categories are:

- **Limited and discriminatory access to the OSS;**
- **Discrimination in OSS response times;**
- **Delays in the provisioning of service; and**
- **Delays in providing billing information.**

Each of these is discussed below.

Limited And Discriminatory OSS Access

11. To interface with Nynex' OSS, LCI uses what Nynex refers to as its Web-Based Graphical User Interface ("WEB/GUI"): The WEB/GUI is not a complete electronic interface, and it limits in significant ways LCI's ability to access and efficiently manipulate important information in the OSS.

12. For example, to perform pre-ordering functions, LCI needs access to customer service records ("CSRs") to determine, among other things, the type of service and number of lines serving the customer to whom LCI is attempting to sell its service. LCI cannot currently obtain electronic access through the WEB/GUI interface to individual CSR records that are longer than 50 pages. More importantly, for those CSRs that LCI can access electronically, LCI cannot save or store these records electronically into its own database, nor is it able to search through these records electronically to capture the USOC codes, which would enable LCI to determine instantaneously the type of service currently being

provided by Nynex to the customer at issue. Instead, LCI is forced to print these records, and then review them individually, one page at a time, to obtain the desired information. This is an inefficient and time-consuming process, and a burden on LCI's resale efforts. I do not believe that Nynex' retail operations face these same limitations in accessing CSRs.

13. Another limitation is that only one user can access a customer's records at any given time. This impairs LCI's quality control because we cannot have a supervisor monitor in real time the work of our order entry and customer service personnel. Moreover, LCI's customer service personnel cannot timely respond to customer inquiries regarding their account if the customer's records are at the time of the inquiry, open at another terminal. These limitations, which I do not believe are experienced by Nynex' own retail operations, prevent LCI from providing a quality of service to its customers and potential customers that is equal to the service which Nynex can provide.

14. LCI also cannot access or view customer service orders as entered by Nynex. When LCI submits a service order to Nynex, a Nynex service representative manually enters the data into the OSS. This increases the opportunity for errors, and LCI cannot thereafter electronically access the service order to determine its accuracy. In contrast, Nynex' own service orders are entered electronically the first time, and I believe they can be immediately reviewed for accuracy.

15. LCI also cannot access information about the status of installation orders. This is significant because, as discussed below, Nynex has frequently missed due dates for provisioning service. Nynex does not provide notice to LCI if the due date is in jeopardy, nor does Nynex notify LCI when the due date has been missed. When the customer calls to complain, LCI cannot electronically access the status of the order to determine why it was missed. I do not believe that Nynex'

retail operation faces these same limitations, and consequently can provide better service to its customers and potential customers than can LCI.

Delays In OSS Response Times

16. Nynex has also not provided LCI with parity in terms of the time it takes LCI to obtain a response from the OSS. I am informed and believe that when Nynex' retail operations access and query the OSS on any type of transaction, whether it be retrieving CSRs, determining feature availability, assigning numbers, pricing orders, or submitting repair requests, the OSS responds almost instantly. In contrast, the response time to LCI typically exceeds one minute (or more), which means that LCI is not being provided equal access, and cannot provide the same prompt service to its customers and potential customers that Nynex can.

17. LCI is also at a disadvantage when it comes to service order handling. LCI's service orders generally do not get processed by the OSS for several hours; it sometimes takes as long as a day, occasionally even longer. In contrast, I believe Nynex' own retail orders get processed quickly, if not instantly. This results in LCI's customers having their service installed or repaired at a later date than customers of Nynex who place their orders at the same time.

Delays In Provisioning Of Service

18. The most persistent problem that LCI has experienced with Nynex' OSS has been missed due date commitments for the provisioning of service. On at least 32% of the orders that LCI has initiated between February 1 and March 18, 1997, the due date that was given by Nynex to LCI's customers has not been met. (I believe that this number is considerably higher, but LCI has not yet reviewed all of its customer order records to compile this data.) The details on the missed due dates that LCI has been able to compile thus far are set forth in Exhibit A to this affidavit.

As the Commission can see, the delay in provisioning of orders has ranged anywhere from one day to one week or more, with an average delay of 4.8 days.

19. Nynex' failure to meet these due date commitments on a substantial number of LCI's orders is particularly damaging to LCI's ability to compete effectively as a new entrant. LCI had received numerous complaints from its potential new customers; several of its customers have been billed by both LCI and Nynex for the same period, because Nynex did not notify LCI that the due date was missed; and LCI is aware of at least two customers who decided to keep their service with Nynex after LCI was unable to provide service on the promised date.

20. While LCI does not have access to the data that would show how frequently due date commitments are missed for Nynex' own retail customers, I believe that such comparative data would show that LCI and its customers are not receiving service that is at parity with the service provided to Nynex' own retail customers.

Delays In Providing Billing Information

21. As a reseller of local service, LCI must obtain all necessary call record information from Nynex in order to bill LCI end-user customers for the calls they make. This call record information is captured electronically by Nynex switches at the time the call passes through the switch. It is Nynex' obligation to timely and accurately transmit this information to LCI so that LCI can, in turn, bill its end-user customers.

22. Nynex has persistently failed to provide LCI with call record information on a timely basis. Nynex could and should be providing this information to LCI within 24 to 36 hours after a call has been recorded at the switch. That is the time at which LCI generally provides long distance call record information to its own reseller customers.

23. Attached as Exhibit B is a chart prepared from LCI's call record system which shows the distribution of call record information received by Nynex since December of 1996. This chart shows that on over 40% of the calls made by LCI

customers. Nynex does not transmit the call record data until three days or more after the call was made.

24. Despite repeated requests to Nynex, Nynex has been unwilling to more quickly provide this call record information to LCI. Nynex' refusal to do so is having and will continue to have an adverse impact on LCI's business operations and on its ability to grow and compete effectively as a local service provider in New York. The adverse impact upon LCI's business includes:

- Untimely call record information results in billing delays: A number of the customers whom LCI has persuaded to leave Nynex are already long distance customers of LCI. These customers expect and want to receive one bill from LCI that incorporates all of the local and long distance calls made by the customer during that billing cycle. LCI typically has all of the information necessary to invoice its long distance service within one or two days following the close of the billing cycle. Because of Nynex' failure to timely transmit local service call record data, LCI has been forced to delay sending its invoices by five days.

- Billing delays caused by untimely call record information affects LCI's cash flow: When LCI is forced to delay sending invoices, this affects LCI's cash flow because it typically means LCI is paid later than it should have received payment. While the dollar amount of the current delayed invoices is not substantial given that LCI is a new entrant in New York, the amount is anticipated to become significant if LCI meets its projections for growth in its local service business.

- Untimely call record information results in local calls being billed out of cycle: Even though LCI has delayed invoicing its customers in order to capture in the appropriate billing cycle as many local service calls as it

can. LCI has been and will continue to be forced to back-bill a number of local calls due to Nynex' failure to timely provide call record information

- Delayed invoicing and back-billing causes LCI to lose revenue and creates confusion and uncertainty in the minds of LCI's customers. LCI anticipates that some of its customers will not pay for phone calls that are billed out-of-cycle because those customers cannot, in turn, bill those calls to their customers. All of these billing irregularities, caused in the first instance by Nynex' failure to timely provide call record data, adversely impact not only LCI's revenue and cash flow, but LCI's credibility with its customer base. This, in turn, impacts LCI's ability to compete with Nynex for local service business.

Conclusion

25. The problems I have described in this affidavit are ones that have been repeatedly raised by LCI with Nynex representatives, and have yet to be resolved. I am attaching hereto as Exhibit C true and correct copies of representative correspondence from LCI representatives to Nynex in which these (and other) problems have been raised.

26. The discriminatory treatment described in this affidavit prevents LCI from providing service to its customers and potential customers that is equal in quality, availability, timeliness, and reliability to the service that Nynex is able to provide to its own retail customers. LCI has been and will continue to be impaired in its ability to compete against Nynex in the local services market until these problems are eliminated and until LCI truly has nondiscriminatory access to the critical functions of Nynex' OSS.

I hereby swear, under penalty of perjury, that the foregoing is true and correct, to the best of my knowledge, information and belief.

Michael L. Wajsgras

On this _____ day of _____, 1997, before me personally came Michael L. Wajsgras, to me known who, being duly sworn, did depose and say that he is the individual described in this Affidavit.

On this _____ day of _____, 1997.

NOTARY PUBLIC

My commission expires:

Exh-2

EXHIBIT A

Missed Due Dates

Account#	Due Date	Switched Date	Days Late
30-350426	2/3/97	3/19/97	44
30-351284	2/14/97	3/4/97	18
30-358844	2/22/97	3/11/97	20
30-359166	2/23/97	3/5/97	12
30-359148	2/23/97	3/6/97	13
30-359156	2/23/97	3/3/97	8
30-359167	2/23/97	3/3/97	8
30-359835	2/27/97	3/11/97	12
30-359703	2/27/97	3/3/97	4
30-359950	2/28/97	3/12/97	12
30-360297	3/1/97	3/12/97	11
30-360878	3/5/97	3/10/97	5
30-360856	3/5/97	3/7/97	2
30-361140	3/8/97	3/13/97	5
30-360756	3/6/97	3/7/97	1
30-360875	3/7/97	3/10/97	3
30-360877	3/7/97	3/10/97	3
30-360880	3/7/97	3/10/97	3
30-360881	3/7/97	3/10/97	3
30-360757	3/7/97	3/17/97	10
30-360755	3/11/97	3/10/97	3
30-360874	3/7/97	3/11/97	4
30-360863	3/7/97	3/12/97	5
30-360888	3/8/97	3/10/97	2
30-360694	3/10/97	3/13/97	3
30-360882	3/10/97	3/11/97	1
30-360890	3/10/97	3/11/97	1
30-361334	3/10/97	3/13/97	3
30-361385	3/10/97	3/18/97	8
30-361344	3/10/97	3/13/97	3
30-361408	3/10/97	3/14/97	4
30-361358	3/10/97	3/13/97	3
30-361366	3/10/97	3/19/97	9
30-361147	3/11/97	3/14/97	3
30-361133	3/11/97	3/17/97	6
30-361156	3/11/97	3/12/97	1
30-361144	3/11/97	3/12/97	1
30-361146	3/11/97	3/11/97	0
30-362385	3/11/97	3/14/97	3
30-361419	3/11/97	3/13/97	2
30-361422	3/11/97	3/13/97	2
30-361426	3/11/97	3/14/97	3
30-361363	3/11/97	3/12/97	1
30-361428	3/11/97	3/13/97	2

Missed Due Dates

30-361173	3/11/97	3/12/97	1
30-361142	3/12/97	3/13/97	1
30-360859	3/12/97	3/17/97	5
30-361157	3/12/97	3/13/97	1
30-361338	3/12/97	3/13/97	1
30-361340	3/12/97	3/13/97	1
30-361342	3/12/97	3/13/97	1
30-361348	3/12/97	3/13/97	1
30-361352	3/12/97	3/13/97	1
30-361357	3/12/97	3/13/97	1
30-361359	3/12/97	3/13/97	1
30-361360	3/12/97	3/13/97	1
30-361362	3/12/97	3/13/97	1
30-361367	3/12/97	3/13/97	1
30-362693	3/13/97	3/14/97	1
30-361335	3/13/97	3/14/97	1
30-361350	3/13/97	3/18/97	5
30-361347	3/13/97	3/20/97	1
30-361356	3/13/97	3/14/97	1
30-362513	3/13/97	3/14/97	1
30-362662	3/14/97	3/18/97	1
30-362666	3/14/97	3/18/97	1
30-363399	3/17/97	3/25/97	8
30-255249	3/17/97	3/25/97	8

Average # of Days Late

= 882352941

Identified Missed due dates between 2/1/97 and 3/18/97	66
Approximate Number of Orders Provisioned between 2/1/97 and 3/18/97	215
% of Identified as Missed Due Dates	32%

EXHIBIT B

**DISTRIBUTION OF CALL RECORD
DATA RECEIVED FROM NYNEX SINCE
DECEMBER 1996**

NUMBER OF DAYS PAST DATE OF CALL	PERCENTAGE OF CALLS
1	25.32
2	26.20
3	11.37
4	14.32
5	3.69
6	6.66
7	6.17
8	1.79
9	1.20
10	0.15

EXHIBIT C

December 16, 1996

Mary Maher
Account Manager
NYNEX Wholesale Services
222 Bloomingdale Road
White Plains, NY 10605

Dear Mary:

I am writing to express my concern about NYNEX's failure to meet a December 13, 1996 commitment to begin transmission of daily usage information to LCI. Despite having over 8 weeks to prepare for this transmission, NYNEX was unable to perform this critical task as scheduled.

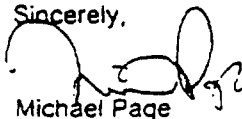
Further, NYNEX's escalation process proved to be ineffective. You stated that the problem had been escalated "four levels" within NYNEX's Information Systems Organization, however nothing was done to expedite the delivery of LCI's usage information. You cited insufficient resources as the reason for delay and lack of response.

Obviously, this situation is unacceptable to LCI. LCI is therefore requesting immediate responses to the following:

- 1.) LCI is making a second request for an escalation list for usage and billing issues. This list is to include a direct "fifth level" contact (a NYNEX Assistant Vice President or Department Head) since a "four level" escalation procedure was proven to be ineffective. This list will be used by LCI's management to resolve critical problems related to usage and billing information transmission.
- 2.) LCI requests that NYNEX provide evidence of sufficient staffing to support wholesale billing and systems issues.

Resolution to these issues will be essential if LCI International is to maintain parity with NYNEX in billing capabilities. Please let me know how NYNEX will respond to these issues.

Sincerely,



Michael Page

Copies to: Peter Karokczkai
Greg Casey
Mark Shriver
Mike Wajsgas

January 16, 1997

Mary Maher
Account Manager
NYNEX Wholesale Services
222 Bloomingdale Road
White Plains, NY 10605

Dear Mary:

I am writing to request resolution to the following outstanding issues.

1. Monthly Bill Detail File: Per our previous discussions, NYNEX has yet to provide LCI with a bill detail file for any of LCI's accounts. LCI has been receiving a paper copy of an abbreviated bill; however, this abbreviated summary does not provide an adequate level of detail for LCI's purposes. At least one bill due date (1/10/97) has passed. This issue was first reported on January 3, 1997.

2. GUI Updates: LCI has previously requested that NYNEX provide a date and time stamp on all GUI transactions. As of 1/17/97, LCI has received no response from NYNEX regarding this issue. Resolution to this issue is critical if LCI is to monitor service provisioning parity issues. LCI has also requested (on 12/4/96) that NYNEX provide adequate error messages on GUI system errors. As previously discussed, we have found that NYNEX error messages do not provide adequate information on system problems or editing errors.

3. GUI Access: LCI is requesting that NYNEX provide "supervisory access" to GUI user ID accounts. The current access configuration only allows access to an individual user. Customer service and order entry supervisors are unable to monitor the activities of order entry or customer service personnel who utilize the GUI for pre-sales, order entry, provisioning and repair functions.

Resolution to these issues will be essential for LCI International to maintain parity with NYNEX in provisioning and billing capabilities. Please let me know how NYNEX will respond to these issues.

Sincerely,

Michael Page

Copies to: Greg Casey
Mike Wajsgas

NYN0116.doc

February 24, 1997

Mary Maher
Account Manager
NYNEX Wholesale Services
222 Bloomingdale Road
White Plains, NY 10605

Mary,

The purpose of this letter is to notify you of an increasing delay in the receipt of daily usage files from NYNEX. As of February 24, 1997, it is taking 7 days to receive approximately 92% of call records. For comparison purposes, 92% of call records received through January 24, 1997, were being sent to LCI within 4 days of recording.

Such an increase in lag time for receipt of call records highlights significant problems in the processing and/or transmission of call records by NYNEX. Receipt of these call records in a timely manner is essential if LCI is to maintain parity with NYNEX in customer billing capabilities. Please advise me as to a remedy for this problem at your earliest convenience.

Sincerely,

Mike Page
LCI International

CC: Mike Wajgras
Greg Casey

March 11, 1997

Mary Maher
Account Manager
NYNEX Wholesale Services
222 Bloomingdale Road
White Plains, NY 10605

Dear Mary:

The purpose of this letter is to report some key operational issues that are preventing LCI from maintaining parity with NYNEX in provisioning and customer service capabilities. The following issues continue to be recurring problems and require immediate resolution by NYNEX:

Missed Due Date Commitments: During the most recent 30 day period (2/12/97 to 3/12/97), NYNEX failed to meet committed due dates on 36% of orders initiated out of one of LCI's order processing centers (the Dublin OH Customer Service Center). The attached document lists 36 orders with commitment dates and actual completion dates.

Operational Support System Access: Operational Support System access continues to be restricted during early morning hours (before 7:00 AM) and frequently during the business day. This lack of consistent access, coupled with NYNEX's refusal to deploy any backup procedures in the event of system outages, puts LCI at a clear disadvantage relative to NYNEX in providing service to end users.

Lack of Supervisory Access on the NYNEX Wholesale GUI: LCI has repeatedly requested to obtain the capability to have multiple users access pre-service order, service order and trouble ticket work on the GUI. Currently, NYNEX restricts access to all pre service order, service order and trouble ticket activity to a single user. NYNEX therefore puts LCI at an economic disadvantage since dedicated resources must be deployed for specific accounts. Further, unlike NYNEX's retail business office supervisors, LCI's provisioning and customer service supervisors cannot perform work reviews and audits.

Trouble Resolution: LCI has experienced delays in getting trouble tickets worked due to its status as a reseller. On at least three occasions over the past 60 days (see attached summary) processing of customer trouble tickets has been delayed because NYNEX personnel were either unwilling to perform work for LCI directly or were unaware of the procedures for performing work on behalf of LCI. In each case, the end user's service was negatively impacted due to a lack of knowledge and/or commitment on the part of NYNEX personnel. Until NYNEX successfully educates its employee base on the procedural and legal issues related to wholesale services, carriers such as LCI will not be able to maintain parity with NYNEX with respect to end-user trouble resolution.

Unauthorized PIC changes: LCI has experienced several incidents in which NYNEX personnel have changed a customer's PIC without authorization. In addition to the obvious customer service problems, such activities can be extremely damaging to LCI's reputation.

Access to Provisioning Assistance: LCI has not experienced consistent access to provisioning assistance. During a recent issue on 3/10/97 LCI was unable to reach the provisioning supervisory as neither voice mail or the roll-over number was working. As previously documented, LCI has experience similar occurrences when attempting to access the operations center via the general number.

Resolution to these issues will be essential for LCI International's to maintain parity with NYNEX's provisioning and service capabilities. Please let me know how NYNEX will respond to these issues.

Sincerely,

Michael Page

Copies to: Greg Casey
Mike Wajsgas

March 21, 1997

Mary Maher
Account Manager
NYNEX Wholesale Services
222 Bloomingdale Road
White Plains, NY 10605

Dear Mary:

The purpose of this letter is to report some additional missed due dates that are preventing LCI from maintaining parity with NYNEX in provisioning and customer service capabilities. These issues have surfaced since the last letter dated 3.14.97 and should be discussed on today's conference call.

Of 43 orders submitted between 3.28 and 3.10, see attached, due dates were missed on 19 occasions. LCI has received no jeopardy notification on these missed due dates. LCI has documented two occasions in which customers have decided not to convert to LCI services as a result of the delays.

Obviously, the missed due date situation that LCI is experiencing is unacceptable from a service and a parity issue. On today's conference call, we will need to discuss resolution to this issue as well means by which to receive parity reporting with respect to NYNEX service levels for its retail accounts.

Sincerely,



Michael Page

Copies to: Greg Casey
Mike Wajsgas

March 24, 1997

HAND DELIVERED

Mr. Jack Goldberg
Vice President Wholesale Services
NYNEX
1095 Avenue of the Americas, #4043
New York, NY 10035

Dear Jack:

Over the past several months, Mike Page of LCI (703-610-3526) has raised several customer impacting issues to NYNEX Wholesale Services. Two of these issues -- delays in provisioning and usage transmission -- are particularly troublesome in that they are clearly preventing LCI from maintaining service parity with NYNEX. Although these issues are being escalated through your operations organization, I want you to be aware of the nature and the magnitude of some of the issues that LCI is currently facing. These issues are summarized below:

Delayed Billing: LCI is not receiving call detail within an acceptable timeframe. According to both NYNEX and LCI measurements, LCI consistently receives call records that are well over 48 hours old. Further, NYNEX does not transmit usage information on weekends and holidays. NYNEX and LCI are working towards a comparable means of measuring the timeliness of delivery of Daily Usage Files. By any measure, however, NYNEX is failing to provide LCI with capability to maintain parity in billing services with NYNEX.

Provisioning Timeliness: NYNEX is failing to meet promised due dates on an unacceptably high percentage of orders. Over a recent 30 day period, NYNEX missed due dates on 36% of orders issued by LCI's customer service center. LCI currently has basic orders that have been issued up to ten days ago without confirmation. On two occasions, LCI's prospective customers switched back to NYNEX out of frustration over the inability to get desired services. These issues are being escalated to NYNEX operational personnel. NYNEX is in the process of examining the specific orders and responding to LCI. NYNEX's delays in provisioning LCI orders is preventing LCI from maintaining parity with NYNEX with respect to provisioning service to its customers.

Mr. [Name]
March 24, 1994
Page 2

Resolution of these matters is essential if LCI is to maintain parity with NYNEX in provisioning and billing capabilities.

We are unable to compete head-to-head with NYNEX and its related issues.

Sincerely,

Anne K. Bingham

AKB:slg